

WIN-WIN WITH EARNED INCOME TAX CREDIT

By Senator Frank R. Lautenberg

Are you helping your employees claim all the tax credits they're entitled to? If not, you and they could be losing big. Employees making less than \$35,000, particularly those with children, may be eligible for thousands of dollars in additional tax refunds. That's good for them, because it means more money in their pockets, and it's good for your business, because higher-paid employees are happier, more productive, and less likely to leave their jobs.

As an employer, you can do a lot to help your employees claim the Earned Income Tax Credit (EITC) and Child Tax Credit. Sometimes, it can be as simple as including flyers with paychecks or posting information on the credits in public areas like lunchrooms. You can also mention the credits in meetings, and help employees to claim the EITC as part of their monthly pay using form W-5, rather than as a lump sum at the end of the vear.

Tell your employees where to get volunteer tax help at Volunteer Income Tax Assistance centers, or VITAs, throughout New Jersey. These centers, which are listed on the New Jersey Department of Taxation's website at www.state.nj.us/treasury/taxation, will help low-income navigate the process of claiming all the credits they're entitled to. Employees can't get the credits if they don't file, and they don't have to have children to be eligible. They should make sure to claim both the Federal and State credits.

The EITC is a great program – it rewards work and makes for happier, healthier, more productive employees. You can strengthen your business and help your employees by making sure they get all the tax benefits they've earned.